

City of Springfield  
Work Session Meeting

MINUTES OF THE WORK SESSION MEETING OF  
THE SPRINGFIELD CITY COUNCIL HELD  
MONDAY, APRIL 3, 2006

The City of Springfield Council met in a work session in the Library Meeting Room, 225 Fifth Street, Springfield, Oregon, on Monday, April 3, 2006 at 6:00 p.m., with Mayor Leiken presiding.

ATTENDANCE

Present were Mayor Leiken and Councilors Ballew, Lundberg, Ralston, Woodrow and Pishioneri. Also present were Interim City Manager Cynthia Pappas, City Attorney Joe Leahy, City Recorder Amy Sowa and members of the staff.

Councilor Fitch was absent (excused).

1. Request for Room Tax Funds to Assist with Funding the 2008 United States Olympic Trials.

Community Development Manager John Tamulonis presented the staff report on this item. The request to Council for \$100,000 is in Attachment 1 of the agenda packet, a letter from the Oregon Track Club for the United States 2008 Olympic Trials to be held at Hayward Field. Eugene and Lane County have already approved contributions of \$150,000 and \$250,000 respectively to assist with this major marketing opportunity and significant athletic event June 27<sup>th</sup> to July 6<sup>th</sup> 2008. The requested funds from Springfield would be to provide shuttle service through LTD for the athletes, trainers, and media staying in Gateway hotels.

Co-chairs of the Local Organizing Committee Greg Erwin and Vin Lananna, (University of Oregon Associate Athletic director/Director of Track & Field) will be at the Work Session to present a very short video and discuss the request with Council. Kari Westlund, Executive Director, CVALCO will also be at the meeting to provide information on the visitor impacts locally (Attachment 2 included in the agenda packet).

Room Tax revenues in Springfield from visitor stays are almost approaching pre-9/11 level, despite the reduction in overall room quantity since then. By the time of the Olympic Trials, Springfield's Gateway area room count is anticipated to be about 1,250 with the addition of two or more hotels to the area. With 100% occupancy and average rates of \$110, the \$1.5 million in room revenues translates into about \$75,000 in Springfield Room Tax revenue just during the event. For comparison current average occupancy is about 75% for the 900+ Springfield rooms mostly in the Gateway area.

As part of the Trials package, Nike will underwrite a premiere annual track event starting in 2007. That event will bring more room tax revenue in 2007 (and annually later) to build excitement and anticipation for the Trials. Significantly, both the annual meet and the Trials will focus national attention on our area.

Mr. Tamulonis introduced Greg Irwin, representing the Oregon Track Club and the 2008 Olympic Trials, and Vin Lananna, track coach at the University of Oregon (UofO). He said Mr. Erwin and Mr. Lananna were co-chairs of the effort.

Mr. Tamulonis said the trials were last held in Eugene in 1980. The athletes at that time did not get to go to Olympics in the Soviet Union, but would be returning to be part of the event in 2008. He also introduced Tom Jordan and Barbara Kousky of the Oregon Track Club, Dan Egan from the Springfield Chamber and Kari Westlund from the Convention and Visitor Association of Lane County (CVALCO), and Michael Riley from the UofO.

Councilor Ballew asked if there was an estimate of how much room tax would be brought in during the event.

Mr. Tamulonis said approximately \$75,000 in room tax would be brought into Springfield during the Trials. That would be the entire amount collected during that time and would include the addition of the Holiday Inn. The hope was that other events sponsored by Nike related to the Trials would boost room tax before and after the Trials. There would be additional impacts throughout the community. He said it would be a unique time to position Springfield for further growth and development in the future.

Mr. Irwin thanked Council for giving them the time to present this information. He said they had been privileged to have a strong Springfield voice in the early stages of the formation of the local organization with former City Manager Mike Kelly's assistance. Mr. Kelly was in the audience. Mr. Irwin noted that Mr. Kelly had been a great resource and they hoped he would continue to be an advisor to the local organizing committee.

Mr. Irwin said they were here to celebrate with Springfield this tremendous event and hoped Springfield felt as much a part of this event as the rest of Lane County. The Trials would be a tremendous opportunity for the entire County and Springfield could also benefit. He gave a brief summary of tonight's discussion.

Mr. Lananna said they appreciated this opportunity. He discussed the bid process for the Olympic Trials. Eugene hosted the Olympic Trials in 1972, 1976 and 1980. He noted that as part of the bid process, the entire 1980 team would be invited to participate in the event and to give them an opportunity to celebrate this event. He further discussed the bid process. He said he did not start working at the UofO until after the bidding process was complete. He said the USA Track and Field put together a selection group which include a couple of members of men's track and field, women's track and field, athletes, race walkers, and the Chief Executive Officer (CEO) of USA Track and Field. Four cities were left in the bid, including finalists Eugene and Sacramento. Sacramento hosted the 2000 and 2004 Trials which were very successful, but Eugene put together an outstanding bid. He noted those that were part of the bidding team, including Barbara Kousky, Tom Jordan, Michael Riley, Angel Jones, Bobby Green, Rudy Chappa, Greg Irwin and himself. He said what resonated with the selection committee was the friendliness of the community and the ownership of this event. He said Eugene proposed that this would be a flawless competition and it would be an athlete friendly event. Improvements to Hayward Field would facilitate this. He said it was a long, but exciting process. This event was more than just a UofO event, but a Eugene, Springfield and community event. He said it would include eight days of competition. He said one of the biggest obstacles was convincing the committee that this community would be able to accommodate the large numbers of attendees.

He described the one hour presentation given to the selection committee. The three-minute video was presented.

Mr. Lananna noted the amount of help in putting together the video. He said he hoped Springfield could partner to make this event successful.

Mr. Irwin said this would not only generate exposure from the actual event, but with visitors the event would attract approximately 30,000 room nights for the area and generate a total of approximately \$300,000 in room tax. That could create direct spending close to about \$18M in the Eugene/Springfield area. Many, such as athletes and coaches, would be in the area longer than the ten days. He discussed the capacity of the hotels generating approximately \$75,000 in room tax revenue and approximately \$1.5M in spending for accommodations. In addition, Springfield based food services, gasoline and other businesses would be influenced by those visiting the area. He noted that the Gateway area would serve as media headquarters to close to 1100-1200 media folks from all over the world. He discussed the need for shuttle service from Gateway to Hayward Field and that originally Springfield was going to be asked to fund that service. Discussion had been held with Lane Transit District (LTD) and LTD had now said they may be willing to pay for those shuttle expenses. The best benefit for Springfield in offsetting the budget would be the opportunity with all of media here, to showcase Springfield. This would be an opportunity to show the world and the nation what Springfield had to offer. Hospitality for the media offered a great opportunity to entertain the media with a barbeque or other entertainment. He said they hoped to make this an event that was valuable to Springfield. He noted that the improvements made to Hayward Field in the sum of approximately \$3M, would impact the ability to bring more meets to the area in the future. There would be other high performance meets they were contractually obligated to hold at Hayward Field in the years leading up to the trials. He said the entire process had been about partnership, and trying to reconnect the various constituencies in the area for other future projects.

Mr. Tamulonis asked Council if they had other questions. He noted that this was scheduled for the regular session if Council was interested in making a decision that evening.

Councilor Pishioneri asked about the LTD partnership and how much they were willing to donate towards the shuttle service. He said he would like to know what other agencies were contributing. He asked if the contract for events sponsored by Nike was final.

Mr. Lananna said Hayward would be hosting one event this summer and putting in bids for the 2009, 2010, and 2011 NCAA meets. They would pursue hosting other meets as well.

Councilor Pishioneri asked what kind of draw those meets would bring in and what the ancillary benefits would be to Springfield.

Mr. Lananna said the meets would bring benefits to Springfield. He gave an example of a large event scheduled for the summer and the number of visitors it would bring. They would need Springfield hotel rooms for overflow.

Councilor Ralston asked about the shuttle service and if people would be paying for that service.

Mr. Lananna said part of the bid included providing the media free shuttle service to Hayward Field from wherever they were, basically from the Gateway Mall.

Councilor Ralston asked if athletes and spectators would also be paying for the shuttle service.

Mr. Jordan said shuttles for the athletes and others would be paid for by the League of Oregon Cities (LOC). If Springfield was willing to contribute, those funds would be applied as much in Springfield as possible for things such as banners for City streets in Springfield, a media hospitality in the Gateway area, meals for the media and other social events in Springfield. He said they were trying to put together a package benefiting Springfield.

Councilor Ralston said this would be good for the area. Room taxes were meant to be used to attract tourism. He had difficulty using public funds for this unless it was only the amount that was extra coming from room tax. He noted the significant budget problems the City faced and that these funds would be coming from General Fund money.

Councilor Ballew asked about security and who would be paying for that.

Mr. Jordan said he and Ms. Kousky were the project managers for event. He said there were two types of security: uniformed security and blue shirt security. A Security Committee was being established and would be made up of uniformed officers from the local, state and national jurisdiction. Captain Lewis from Springfield had been nominated to be on that committee. This committee would begin to meet at the end of April and would assess security issues. There may be a chance they could apply for Homeland Security grant funding.

Councilor Ballew noted that room tax was intended to reimburse local agencies for the additional unreimbursed costs for public safety. She hoped Springfield would get some money back on its investment for security.

Councilor Woodrow noted that while in Washington DC, Sheriff Burger applied to three different agencies and was getting a letter for the Attorney General identifying this as an event of National significance to get funding for the security from Homeland Security. That would be directed by the Sheriff.

Councilor Lundberg said the significance of this event was not lost on her and she had no issues regarding the \$100,000 contribution. She said she would like to see the proposal and would like to see that Springfield was highlighted to the media and others visiting our area for the first time. She would like to see a significant effort put into showing who we were and what we were about. She said she didn't mind the shuttle service. She would like a breakdown of how the money would be spent to highlight Springfield.

Councilor Pishioneri said now was a good time to see how well CVALCO would shine.

Ms. Westlund said they would be making Springfield shine.

Councilor Pishioneri said it was a good opportunity for both CVALCO and the Springfield Chamber to show Springfield how well they could take care of Springfield with the funds the City allocated to them. He said it was a small investment for a large return to the whole area.

Mayor Leiken said he had been to the past three Olympic trials held in Eugene, and his favorite was in 1972. He recalled some of the spectacular events during those trials. He said he lived in

Roseburg at the time and he and his family came up to the event every day. He noted the amount of money they spent in the area at gas stations, restaurants, etc. while here for the events. He said this was a small investment. He said he had already talked with Ms. Westlund from CVALCO and agreed this was a great opportunity to showcase what Springfield and the metro area had to offer. He said the \$100,000 would go a long way to marketing our community. He said the next step would be to look ahead at future Olympic Trials.

Councilor Woodrow agreed with Councilor Lundberg and would like to see how the investment would be broken down. On the face, allocating \$100,000 with a possible \$75,000 in room tax during the event seemed to be a loss, but there would be other gains. This would buy a lot of notoriety for Springfield. He asked if this was scheduled for action during the regular meeting.

Mr. Tamulonis said it was scheduled, but Council had choices.

Ms. Pappas said they could approve the amount with the caveat of more information.

Councilor Woodrow thanked the committee for bringing this event and the opportunity to our community.

## 2. Used Merchandise Dealer Ordinance – Automated Reporting Requirement.

In 2001 Eugene and Springfield Police, the Lane County Sheriff's Office and other law enforcement representatives met to explore a methodology to improve the identification and recovery of stolen property prior to being resold and to identify and investigate individuals involved in the sale of stolen property. The involved agencies examined automated reporting and a uniform secondhand dealer ordinance for the region as possible solutions for these issues.

Eugene, Springfield and Lane County initiated an automated reporting pilot project in October, 2002 with voluntary participation of several secondhand stores in Eugene, Springfield and unincorporated Lane County.

During the development of the draft ordinance, the participating law enforcement agencies have met with secondhand store owners and managers for feedback on the proposed ordinance. There has been a mixed review from the dealers who are concerned about the additional costs to their businesses for implementing the program as well as a preferred vendor. Council has received correspondence from second hand business dealers expressing their concerns on the matter.

Law enforcement agencies in Eugene, Springfield and Lane County are now in the process of seeking the adoption of a Used Merchandise Dealers Ordinance for each of the respective jurisdictions. The City of Eugene has adopted the ordinance and Lane County is awaiting action from Springfield City Council before deciding upon adoption.

The proposed process for implementing and operating the automated reporting system would be administered by the Eugene Police Department. The actual cost (\$20,200) of automated reporting would be borne by the regulated secondhand stores, using a fee schedule based on the number of annual secondhand dealer transactions. It is anticipated that the annual cost to the individual secondhand store would range from \$200-\$700 per year.

Chief Smith introduced Captain Lewis from Springfield Police, Randy Berger and Bob Holland from Eugene Police. A committee, including these officers, had been working on this project for several years. Council had been provided with information in their agenda packet for discussion, as well as a draft ordinance for their consideration. Most of the ordinance was a uniform ordinance that was being presented to Eugene, Springfield and Lane County. Eugene had adopted the ordinance and Lane County was waiting to see how Springfield proceeded. He said this involved automated recording from second hand dealers involving a computerized process. He described the process. The pilot program was constructed to interface with the AIRS system, offering firewalls and other security measures. He said this was not without some concern to several of the second hand dealers, some of which were in the audience. Chief Smith said during his conversations with the second hand dealers, there had been two concerns. The first was that the company preferred by the City of Eugene, BWI (Business Watch International), was from Canada. The fact that information would be inputted into a database through a server in Canada was of concern. The cost of BWI's service was also a concern. He had been presented with information that another lender, L.E.A.D.S. Online, offered a similar service. He said there were some glitches as that system related to law enforcement. As proposed, the process for administering and implementing this system would be with the City of Eugene and the cost for the program would be born by the dealers.

Councilor Ralston read from a letter from an owner regarding the high cost of at least \$1200 per month.

Chief Smith said that could be a misunderstanding by the dealer. He said the cost would be based on the number of transactions. He referred to Attachment 3, page 4 included in the agenda packet which showed the costs per year, the highest being \$700. He asked the City Attorney to incorporate into the ordinance the ability for Council to waive the fee for businesses with very few transactions. With the current system, it was costing ten to twenty hours a week in Police staff time to do data entry.

Councilor Ralston asked for clarification between 2<sup>nd</sup> Hand Stores and Used Merchandise Dealers. He asked which stores would be affected.

Chief Smith said businesses that bought and sold second hand merchandise such as antique shops, pawn shops and second hand shops would be affected. There was only one business in Springfield that would be paying \$700 a year.

Councilor Ralston said the terminology was confusing.

Councilor Lundberg asked if the current system was for the business owners to fill out a pawn slip as it had been done for many years. Yes. She asked if there would be a set fee on the number of transactions. She asked about the system for those not currently using a computer system. They would have to purchase software and learn the program. She asked if the dealers would be sending sensitive information to the Police Department via the internet or through BWI. She wanted to know the actual costs for businesses. She said she did have an issue with a Canadian company because she did not know international law and was not comfortable sending sensitive information over the border.

Chief Smith said the fee was charged by the City of Eugene based on the contract they negotiated with BWI. He said it was based on the number of transaction, not per transaction. He said he

was concerned about those businesses that had minimal purchases and sales. He said it was a web based system and if the store did not have a computer with internet access, there would be a cost to them to get a computer. He said those that represented the vendors were not concerned about a reporting system per se, but rather that BWI was chosen as the preferred server and was from Canada. BWI had integrated their system with our system to make it work. L.E.A.D.S. Online, the other vendor discussed, did not have the capability to interface with AIRS at this time, although they might for a cost. L.E.A.D.S. Online would not allow access to all officers or with other jurisdictions. L.E.A.D.S. Online did not provide the same tools to do the job. Data received from paper reports was the same as would be put in the database.

Councilor Ballew said it seemed that it would be more efficient to put the information into the computer than on paper, so there wouldn't be much change in the amount of work for the vendor.

Chief Smith said there could be more work for the vendor with this system. He explained why. They do now have to fill out paperwork.

Councilor Ballew asked where the paper information went once it was entered.

Chief Smith said it was entered into the AIRS system.

Councilor Ballew said theft was a big problem and anything that could be done to better identify stolen property was a benefit.

Chief Smith said this would be more efficient. As important to Police as identifying stolen property, was knowing who was selling the property. A lot of property that went to second hand stores or to fences was not identified.

Councilor Pishioneri said he could see benefits and obstacles to owners. He said if the City was using .25 - .50 FTE to hand enter this information, that was costing the City about \$25,000 to \$50,000 a year to help the business run their business. He noted the importance of recovering stolen property. He said it would make the process of identifying stolen property more efficient. He said he recognized some of the customers that went into these businesses. He said he was pro-business, but noted this type of business created a fence to sell a lot of things that were stolen goods, yet also allowed a place for people to sell items for extra cash if needed to pay their bills. He asked Officer Berger if the system they had been using had worked well.

Officer Berger said the stores that had used it had reported in favor of the program before the Lane County Commissioners and the Eugene City Council. Stores had been using it for 9 months to 3 years. He explained the process and how this could benefit identifying property. He said it would save resources allowing officers to spend more time investigating crimes.

Councilor Pishioneri asked if the current system allowed officers to pull up a name to see how often they dealt with used merchandise.

Mr. Berger said they could pull up a name, but if it was not a serialized item, their name would not be in the system. In the new system, the name would be there.

Councilor Lundberg said there would still be some sort of paperwork for signatures for the vendor. People have to give their identification (I.D.). She said it was not true that most of the

items sold at these stores were stolen. There was a trade-off to get the information needed in a timely manner. She said this would not make a huge impact and didn't want to be unfair to the vendors. It currently did not cost the business owners additional money, but tracking the merchandise was for the public's benefit. She did have issues that the information went to Canada and she wanted another choice. She said she didn't have a problem charging the vendors a set fee that was reasonable. She would like owners to receive as much help as possible with software, interfaces and training to get the program up and running. Business people were busy.

Councilor Ralston said he had a slight problem with the Canadian vendor. He would like information related to the correspondence that suggested part of the program be funded through the insurance industry. He asked if part of the recording would include social security numbers.

Chief Smith said social security numbers would not be asked for. He said there had been correspondence suggesting the cities and county wait until there was a statewide system. He said it was unlikely that a statewide system would be created in the next few years. He said BWI was the best in the market today, but the City would not be locked into that forever. If the state or federal government came forward with a new plan, the City would not be locked into BWI.

Councilor Woodrow said he was concerned about using a Canadian company, but agreed with electronic reporting. He said he was more concerned about the software. He questioned what would happen if BWI went out of business and we were no longer compatible. He asked if the second hand dealers currently paid for a business license and if this would be a duplication of fees.

Chief Smith said it would be up to Council whether or not to charge both fees. Local governments had not spent any money on BWI. That was done externally. If BWI went out of business, the City would be back where we were three years ago and no worse off.

Mayor Leiken asked how many cities and counties around the state had enacted this ordinance.

Chief Smith said the Portland metro area had entered into conversations regarding this topic. He said Medford was with L.E.A.D.S. Online. Clackamas had been with L.E.A.D.S. Online, but had cancelled.

Officer Berger said the data that L.E.A.D.S. Online collected was L.E.A.D.S. data, and did not belong to agencies. It forced the agency to subscribe to that information source and if they quit subscribing, that data was a loss.

Mayor Leiken said it sounded like we would be a pilot project.

Chief Smith said this had been a pilot project in this area for the last three years.

Mayor Leiken said people could take stolen property to other cities. He would like to hear from the business community and would like a public hearing. He said the local elected officials had an obligation to lobby the state legislatures to enact a statewide process. He gave an example of his son's stolen snowboard and said something statewide needed to be implemented. He said using a Canadian company was not an issue, but he felt it needed to be a statewide issue. He said as elected officials and from a safety standpoint, the elected officials needed to lobby our state legislators to get this done. He said putting in a local ordinance would only stop the criminals



from coming into Eugene, Springfield or Lane County. He said there was a market for this type of business, but there were a lot of issues to take into consideration. He respected staff looking into this project, but felt it needed to be statewide to be successful. He questioned whether or not businesses would stay in Springfield if this went into affect. It could actually be beneficial for businesses.

Councilor Ballew said it would be nice to have it statewide, but there was a big problem in this area and if this could address the issue, it could be worth pursuing.

Councilor Pishioneri said if there was a system that discouraged people from selling stolen goods, theoretically, it would not hurt the businesses. He said if we enacted this ordinance and people took stolen goods to other areas, that was fine with him. He also noted that the basic thief would not have the means to travel all over the state. Whatever could be done to make our area cleaner would be better. He said he wanted to listen to the business owners, but felt it was important for Springfield to take care of this here. It would be worth it to the victims to try to do what we could. He referred to past systems that were still in place. It's time to update the system.

Chief Smith asked if Council wanted him to bring the ordinance back for a public hearing. Yes. He asked if Council wanted him to include an exception for businesses with less than "x" number of transactions. Yes.

Councilor Ballew asked about including a grace period for those that didn't currently have a computer system.

City Attorney Joe Leahy asked if Council wanted them to leave in the business license.

Councilor Ballew asked if there was some savings that could translate into lowering the business license. She said she did not want to double charge anyone, but did not want to pay their bill.

Discussion was held regarding the business license amount and the costs involved.

Ms. Pappas asked about a flat fee or graduated fee.

Council consensus was to have a graduated fee.

Councilor Lundberg asked to have information brought back with an explanation of the purpose of the Used Merchandise business license.

Councilor Pishioneri said he would like the businesses to offer resolutions or ideas that could help Council sort out this issue.

Ms. Pappas said this could be brought to Council on May 15 for a public hearing. Notice would be sent out to businesses notifying them of the public hearing.

#### ADJOURNMENT

The meeting was adjourned at approximately 7:23 pm.

Minutes Recorder – Amy Sowa

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Sidney W. Leiken  
Mayor

Attest:

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Amy Sowa  
City Recorder